



Challenge

The Golf Division is working to be self sufficient. For 2010, our operations' loss was \$88,564. Our #1 job in 2011 is balancing the budget.

Our mission statement continues to be: **“Provide affordable golf for the community of Rochester.”**

Hadley Creek Golf Learning Center remains our biggest challenge. Financially, 2010 was an improvement over 2009 but additional use is required for us to harvest more revenue. The primary role of Hadley Creek is to be an incubator for new golfers. We need to introduce golf to more beginners, provide more junior golf programs complimenting The First Tee, and provide practice facilities to all golfers. It does all this now, but not yet to the extent of self-sufficiency. Kelly Daniels, Paul Pehler, and Bill Watson are charged with turning Hadley into the asset everyone had hoped.

Weather will always determine our business success. No precipitation in March brought on lots of early golf. March set records with revenue, rounds played, golf car rentals, and course conditions. However, June, July, and August were all disappointing because of weather. The second hurdle to our success was a fearful state and national economy that caused conservative recreational spending. Thirdly, people made conscious choices about golf. Was it fun? What were the time constraints? What were the costs? Location, intimidation, embarrassment, dangers.. There were a lot of excuses not to play golf. When golf was an exercise, a competition, a social habit, we didn't weigh all the other life commitments against “going golfing.” We just golfed, walked in a beautiful environment, grew closer to our friends and adversaries and then later took care of life's other chores.

2010 Actions

I like our position in the golf economy. Our pricing structure is stable, our golf courses continue to be in very good condition, our infrastructure improvements are being noticed, and our pass holders remain faithful. Our costs are under pressure and are growing at a pace less than the accelerating revenue. We are providing better service with fewer staff and fewer tax dollar support.

Membership fees are discounted for an “Early Bird” promotion each fall. The rates are then raised in the spring about \$25 each. All rates were substantially lowered in the fall of 2008. That single fall promotion caused a large revenue increase for 2008. Rates were rolled back to 2003, when budgets were nearly balanced. For 2010, we included grand children to family memberships and added a punch card for Soldiers Field.

	2008	2009	2010	2011
Family	\$1295	\$780	\$780	\$780
Adult	\$725	\$520	\$520	\$520
Young adult	\$420	\$350	\$350	\$350
Patron Card	\$125	\$195	\$195	\$185
Punch Card 10 X 9 holes		0	0	\$120

Hadley Creek

Hadley Creek Golf Learning Center is our 9 hole executive course and practice facility. It is home to The First Tee Program. In 2009, our income goal of \$200,000 was highly speculative and we came in at 49% or \$98,084. In 2010, our revenue was \$133,202 a 36% increase over 2009. We expect to have that type of increase for 2011. The First Tee Program is becoming a real entity in the community. Our web sites, our advertising, and our students are promoting TFT. We had 60 kids participate in TFT in 2010. We registered Lincoln Choice K8 School as our TFT National School Program. We have a certified “Coach/teacher” as a PE instructor at Lincoln. Kelly Daniels and Paul Pehler are helping with instruction in golf and the 9 Core Values of the program. This First Tee is going strong and should give us the opportunity to introduce golf to more kids than ever before.

Eastwood

Eastwood has new golf car paths around tees and greens on the front 9. We will be able use our golf cars sooner after rains and they should stay cleaner. Esthetically, the paths removed the many dirt paths that blighted our course. The sand bunkers on the front 9 were all reconstructed, addressing erosion problems, sand texture issues, drainage, and design. There will be a new back tee for hole #1 in 2011. Eastwood was a financial disappointment in 2010. We spent too much on labor, and gross revenue was lower by \$8000 from 2007, when the course was only 9 holes. In 2009, revenue was \$392,000. In 2010, revenue was \$344,000. Expenses were up \$16,000.

Soldiers Field

The old course was polished with an entry pergola, a new primary entry door, new score board, a cleaned veranda area, new golf car storage pen and automated fairway irrigation system. We are planning a complete redesign of the gardens around the club house, in 2011. Soldiers Field revenue was also disappointing. 2010 revenue was \$382,000, down \$46,000 from 2009. Expenses were down \$8000 from 2009.

Northern Hills

The new range tee was our big project in 2010. It will be available for use early 2011. Joe Fischer continued to work on the new automated fairway irrigation system. The new Yamaha golf cars were put to work and will provide a steady stream of income for 7–10 years. We are preparing for a new putting green and chipping area near the new range tee. Financially, Northern was our MVP Super Star. Revenue was up \$121,000 with the take over of the golf cars and range. Expenses were down \$65,000 from 2009. It is not often, we see this type of turn around in one business, especially during these economic times. Mike Manahan and Jeff Gorman did a great job for the city in 2010.

